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In the summer of 2011 we were notified by the FBI that our former treasurer, Rob Telthorst, was under investigation for possible misappropriation of funds from a number of his former clients. There were three disbursements from our campaign committee, totaling \$21,300 that they believed may not have been authorized by the campaign. After being contacted, we immediately notified the Federal Election Commission of the situation and authorized an outside independent vendor to perform an audit during the time period Telthorst controlled our accounts from early 2009 to early 2010. In the course of the audit, the accountant found the three unauthorized disbursements from our account totaling \$21,300. It was also discovered that those funds were subsequently reimbursed in full from an unauthorized outside account (Robert M. Telthorst Sole Prop DBA Lynn Jenkins for Congress) making our campaign funds whole. Specifically, we discovered the following disbursements and receipts:

Disbursement: Check # 2333; dated 8/28/2009; To "Lynn Jenkins for Congress CD Account"; \$12,000 Disbursement: Check # 2335; dated 8/28/2009; To "Lynn Jenkins for Congress CD acct"; \$4,800 Disbursement: Check # 2337; dated 9/1/2009; To "Consolidated Lease & Fin 30-Day CD"; \$4,500

Receipt: Check # 1002; dated 4/8/2010; From "Robert M. Telthorst Sole Prop DBA Lynn Jenkins for Congress"; \$21,308.92

Additionally, in the course of the audit, we discovered a number of data entry errors made during Telthorst's tenure. Our 2012 Year End Report beginning cash on hand will reflect an adjustment upwards of \$926.70 to fully reconcile our reported cash on hand with our actual cash on hand.